Lowest quarterly wage growth since March 2022

Media Release

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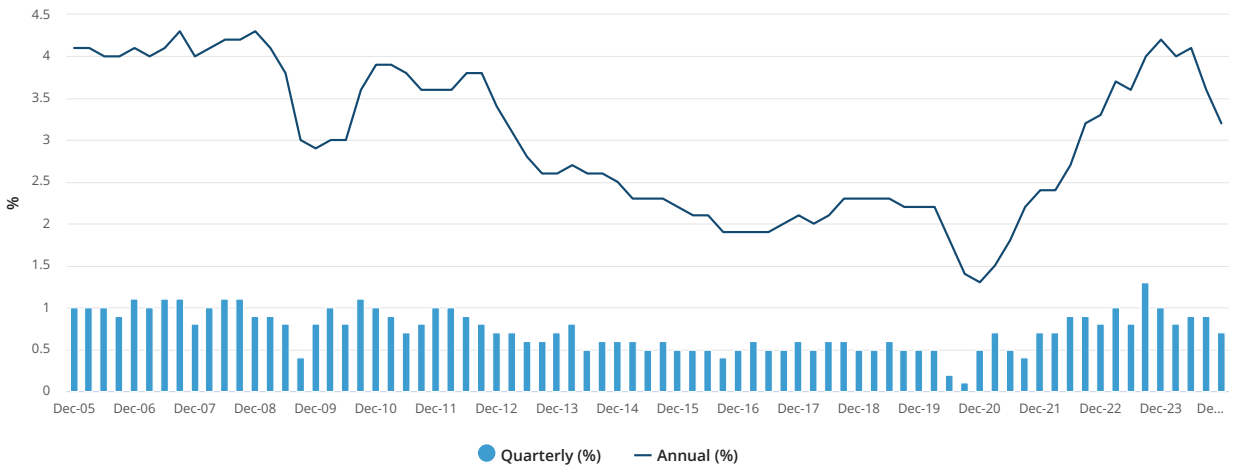
Source:
Wage Price Index, Australia, December 2024 (/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/dec-2024)

The Wage Price Index (WPI) rose 0.7 per cent in the December quarter 2024, and 3.2 per cent over 2024, according to seasonally adjusted data released today by the Australian Bureau of Statistics (ABS).

Michelle Marquardt, ABS head of prices statistics said: "The 0.7 per cent rise this quarter was the equal lowest growth since March quarter 2022. At 3.2 per cent, the annual increase in wages was down from 4.2 per cent in December quarter 2023 and is the equal lowest since September quarter 2022."

All sector WPI, quarterly and annual movement (%), seasonally adjusted (a)

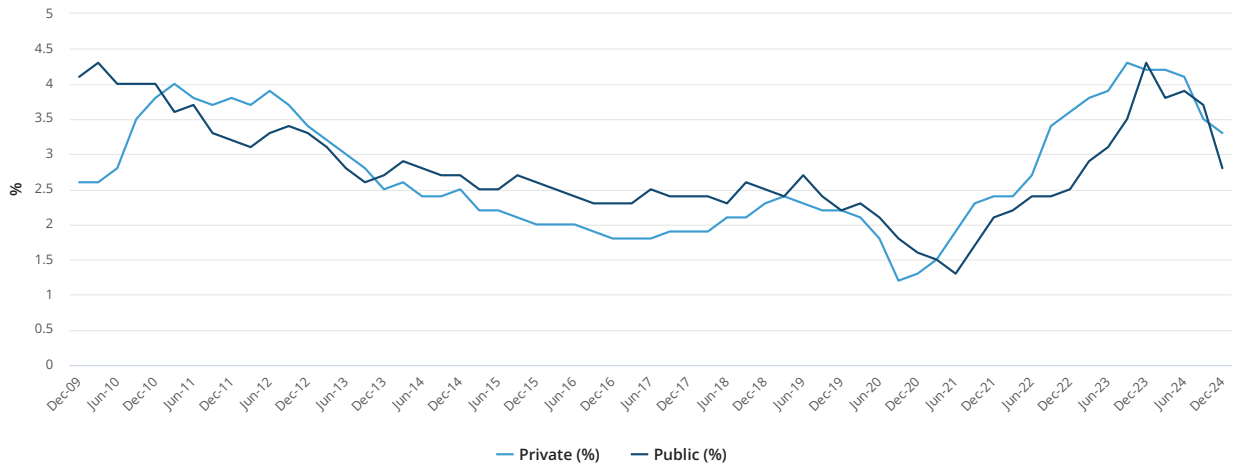


a. See Interpretation of index numbers, Percentage change and rounding on the Methodology (/methodologies/wage-price-index-australia-methodology/dec-2024#interpretation-of-index-numbers) page.

Private sector annual growth (+3.3 per cent) was the lowest since June 2022, while annual wage growth for the public

sector (+2.8 per cent) fell below 3 per cent for the first time since the June quarter 2023.

Annual wage growth by sector, seasonally adjusted (a)



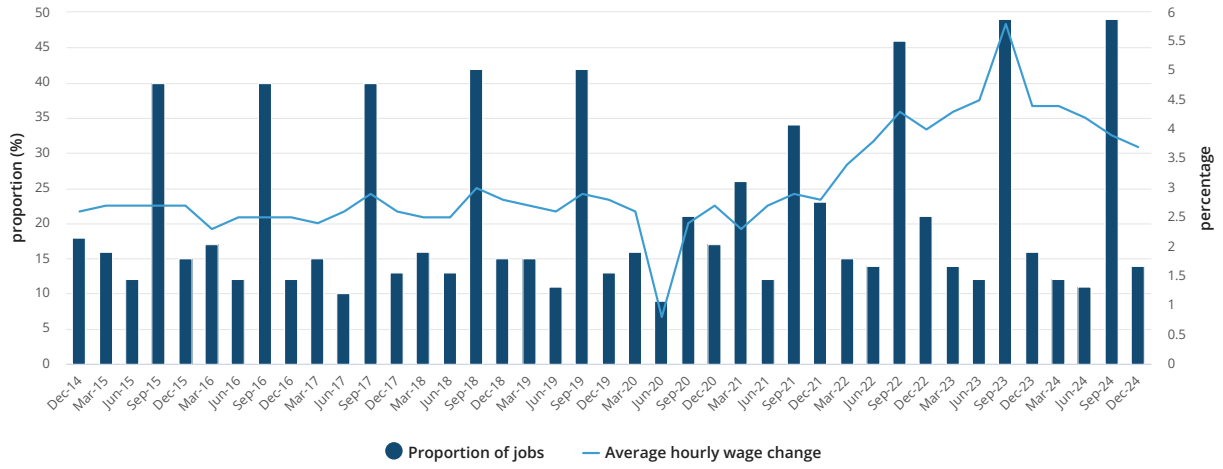
a. See Interpretation of index numbers, Percentage change and rounding on the Methodology (/methodologies/wage-price-index-australia-methodology/dec-2024#interpretation-of-index-numbers) page.

Quarterly wage growth in the private sector was 0.7 per cent, lower than 0.9 percent in the December quarter 2023, and the equal lowest rise since the March quarter 2022.

Compared to the December quarter 2023, the private sector saw a drop in both the proportion of jobs with a wage movement (+14 per cent compared to +16 per cent), and the average hourly wage change (+3.7 per cent compared to +4.4 per cent).

“This was the smallest proportion of jobs with a change in wages for the private sector in a December quarter since 2019,” Ms Marquardt said.

Quarterly wage dynamics in the private sector, original (a)



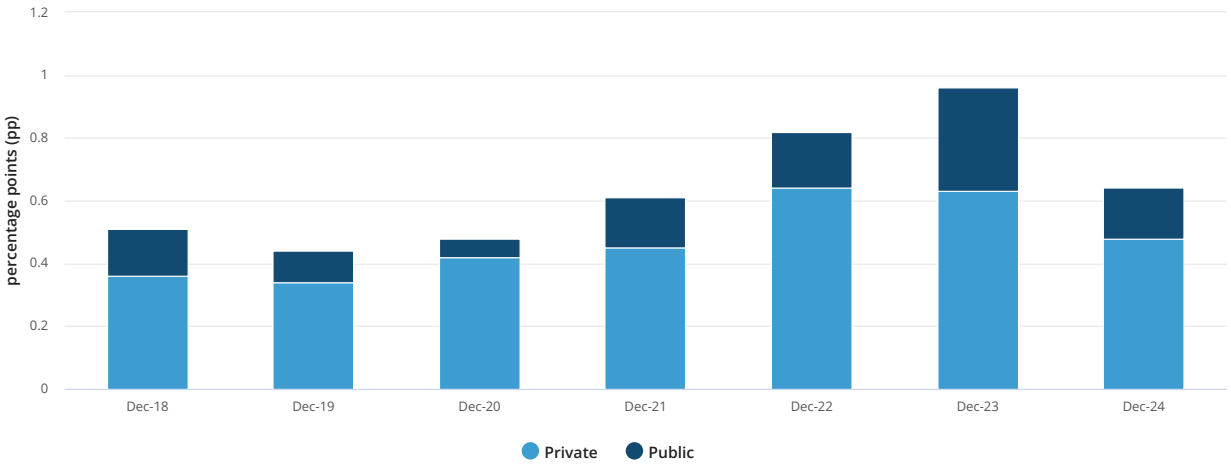
a. Average hourly wage change only includes jobs recording a wage movement in the current quarter

Wages in the public sector rose 0.6 per cent in the December quarter 2024, lower than the 1.4 per cent rise in the December quarter 2023.

“The public sector contributed a quarter of total wage growth, compared to 34 per cent in the December quarter 2023.”

“This drop in contribution was driven by the timing of some agreements shifting to outside the December quarter this year, other agreements have expired or have smaller increases compared to the same time in 2023,” Ms Marquardt said.

Contributions to quarterly wage growth by sector, original



The main industry contributors to the quarterly rise were jobs in Health care and social assistance, followed by Manufacturing and Construction.

More information can be found in Wage Price Index, Australia (https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/latest-release) , December quarter 2024.

Media notes

- When reporting ABS data you must attribute the Australian Bureau of Statistics (or the ABS) as the source.
- December quarter 2024 Wage Price Index data captures wage information for the mid-month (November) of the December quarter.
- The WPI is designed to measure the change over time in the price of wages and salaries (i.e. a pure price change, unaffected by the changes in the quality or quantity of work performed or the composition of the workforce).
- The Monthly Employee Earnings Indicator (https://www.abs.gov.au/statistics/labour/earnings-and-working-conditions/monthly-employee-earnings-indicator/latest-release) , released 19 February 2025, is an aggregate measure of total wages and salaries. It differs to the WPI because it captures compositional changes in the labour market such as changes in employment, hours employees were paid for, and periodic payments in addition to wage increases.
- Average Weekly Earnings (https://www.abs.gov.au/statistics/labour/earnings-and-working-conditions/average-weekly-earnings-australia/latest-release) , released Thursday 20 February 2025, provides insight into weekly earnings for males and females, including information by industry, sector, and state/territory of work.
- To learn more about different measures of wages change, their purpose and how to use them, see our Earnings guide (https://www.abs.gov.au/statistics/understanding-statistics/guide-labour-statistics/earnings-guide) . It provides summary information on our various earnings measures including the Wage Price Index.
  You can access high resolution images of ABS spokespeople, including Michelle Marquardt, from our image

library (https://www.abs.gov.au/media-centre/abs-image-library) .

- For media requests and interviews, contact the ABS Media Team on 1300 175 070 or media@abs.gov.au (mailto:media@abs.gov.au) (9am-5pm Mon-Fri).
- Watch our data literacy presentation on CPI, inflation and cost of living data (https://www.youtube.com/watch?v=9-sGkfqqI70) as well as our ABS data crash course (https://www.youtube.com/watch?v=le2K3PNejU4&list=PLR8_RxifMwL4JQTxYclMANzga67VBlyhj&index=12) , designed especially for journalists to learn how to find, download and interpret our data.
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